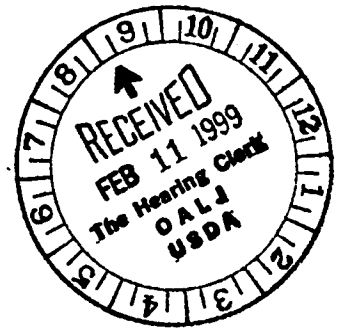


UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE



In re:) PACA Docket No. D-99-0002
)
Custom Cuts, Inc.,)
)
Respondent)

DECISION WITHOUT HEARING BY REASON OF CONSENT

In this disciplinary proceeding under the Perishable Agricultural Commodities Act (7 U.S.C. § 499a et seq.) (PACA), a Notice to Show Cause and Complaint was filed on October 20, 1998, alleging that Respondent had committed willful, flagrant and repeated violations of section 2(4) of the PACA (7 U.S.C. § 499b(4)) by failing to make full payment promptly to 15 sellers of the agreed purchase prices in the amount of \$908,002.82, for 216 lots of perishable agricultural commodities which Respondent purchased, received and accepted in interstate commerce or with the expectation of resale in interstate commerce during the period December 9, 1997, through August 30, 1998 and is therefore unfit to be licensed under PACA. Complainant requested a finding that Respondent committed willful, repeated, and flagrant violations of section 2(4) of the Act (7 U.S.C. § 499b(4)) and is unfit to be licensed under PACA. Respondent filed an answer denying the allegations of the complaint. A hearing date was set for February 5, 1999.

The parties have now agreed to the entry of a Decision Without Hearing by Reason of Consent as set forth herein. Therefore, this Decision Without Hearing by Reason of Consent is entered without further procedure or hearing pursuant to the consent decision provisions of the Rules of Practice applicable to this proceeding (7 C.F.R. § 1.138).

Findings of Fact

1. Custom Cuts, Inc. (hereinafter "Respondent") is a Wisconsin corporation whose business address and mailing address is 2842 S 5th Ct, Milwaukee, Wisconsin 53207-1472.
2. Pursuant to the licensing provisions of the Act, license number 891364 was issued to Respondent on June 8, 1989, was renewed annually, but terminated on June 8, 1998, pursuant to Section 4(a) of the Act (7 U.S.C. 499d(a)) when Respondent failed to pay the required annual license fee.
3. During the period December 9, 1997 through August 30, 1998, Respondent failed to make full payment promptly to 15 sellers of the agreed purchase prices in the total amount of \$908,002.82 for 216 lots of perishable agricultural commodities which it purchased, received and accepted in the course of interstate commerce.
4. Respondent is now in full compliance with PACA.
5. Respondent has been issued a PACA license.

Conclusion

Respondent's failures to make full payment promptly, as more fully set forth in paragraph III and the appendix to the complaint, constitute willful, flagrant and repeated violations of section 2(4) of the PACA (7 U.S.C. § 499b(4)), for which the order below is issued.

Order

Respondent's PACA license is assessed a civil penalty in the amount of \$60,000.00 in lieu of a 30 day suspension of Respondent's PACA license. If Respondent fails to satisfy the civil penalty according to the terms of the Understanding with Respect to Civil Penalty and Payment

Terms entered into with Complainant, the 30 day suspension of Respondent's PACA license shall automatically commence upon notice to Respondent without further procedure.

This order shall become final upon issuance.

Copies hereof shall be served upon the parties.

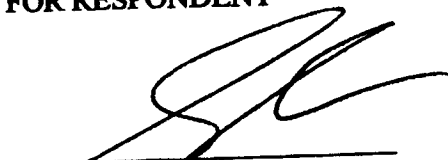
Issued at Washington, D.C.

This 8th day of Feb, 1999
11a



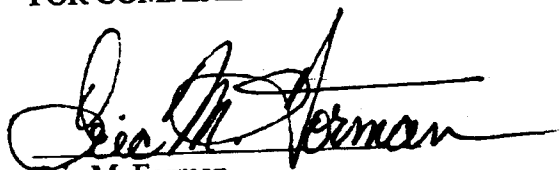
Dorothea Baker
Administrative Law

FOR RESPONDENT



Brad Beckman
President
Custom Cuts, Inc.

FOR COMPLAINANT



Eric M. Forman
Associate Deputy Administrator
Fruit and Vegetable Programs
Agricultural Marketing Service



JoAnn Waterfield
Attorney for Complainant